

LOK SABHA
STARRED QUESTION NO.*84
FOR ANSWER ON 17/12/2018

MODERNISATION OF STEEL PLANTS

*84. SHRI K.N. RAMACHANDRAN:
SHRI PRALHAD JOSHI:

Will the Minister of STEEL be pleased to state:

- (a) whether the Government has undertaken/proposes to undertake modernisation and expansion projects for various public sector steel plants including Salem and Durgapur steel plants in the country;
- (b) if so, the details thereof along with estimated cost of modernisation and the funds allocated for the purpose, plant-wise;
- (c) whether the Government has directed all public sector steel companies to set up energy efficiency and emission reduction provisions under their modernisation and capacity expansion programmes;
- (d) if so, the details thereof along with the steps taken towards achieving energy efficiency and emission reduction in the steel sector through the Global Environment Facility of the United Nations Development Programme; and
- (e) the likely date of start and completion of modernisation work of each such plant along with the other steps taken/proposed to be taken by the Government to further modernise the said plants to international standards and implement the National Steel Policy, 2017?

ANSWER

THE MINISTER OF STEEL

(SHRI CHAUDHARY BIRENDER SINGH)

(a)to(e): A Statement is laid on the Table of the Lok Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (E) OF THE LOK SABHA STARRED QUESTION NO. *84 FOR ANSWER ON 17/12/2018 TABLED BY SHRI K.N. RAMACHANDRAN AND SHRI PRALHAD JOSHI, MEMBERS OF PARLIAMENT REGARDING “MODERNISATION OF STEEL PLANTS”

(a)&(b): Steel, being a deregulated sector, the decision to undertake modernisation and expansion projects for public sector steel plants is taken by the individual public sector company based on commercial considerations and market dynamics. Two major public sector steel companies, Steel Authority of India Limited (SAIL) and Rashtriya Ispat Nigam Limited (RINL) took up modernization and expansion of their steel plants recently. This includes steel plants of SAIL at Bhilai (Chhattisgarh), Bokaro (Jharkhand), Rourkela (Odisha), Durgapur (West Bengal), Burnpur (West Bengal), Salem (Tamil Nadu) and of RINL at Visakhapatnam (Andhra Pradesh).

The Modernisation of public sector steel plants is funded by the concerned company from their own resources and/or loans taken from Banks/Financial Institutions.

The indicative investment for modernisation & expansion of SAIL plants is Rs. 61,870 crore. Besides this, provision of Rs.10,264 crore has been made towards development and expansion of mines. The plant wise details of modernisation & expansion of SAIL are given below:-

Plant	Crude Steel Capacity in MTPA (million ton per annum)		Approved Cost in Rs. Cr. (Net of Cenvat)
	Before Expansion	After Expansion	
Bhilai Steel Plant	3.93	7.0	17,266
Durgapur Steel Plant	1.8	2.2	2,875
Rourkela Steel Plant	1.9	4.2	11,812
Bokaro Steel Plant	4.36	4.61	6,325
IISCO Steel Plant	0.5	2.5	16,408
Salem Steel Pant	-	0.18	1,902
Sustenance Schemes in Various Plants	-	-	5,282

RINL has completed expansion for doubling its liquid steel capacity from 3 MTPA to 6.3 MTPA of Vizag Steel Plant in April, 2015 at an estimated cost of Rs.12,291 crore. Further, to enhance liquid steel capacity by 1 MTPA. i.e. from 6.3 MTPA to 7.3 MTPA at an estimated cost of Rs. 4,000 crore, RINL undertook modernisation of its existing major production facilities like Blast Furnaces, Steel Melting Shop Converters and Sinter Plant to upkeep the health of major equipment. All the modernised units are in operation.

(c)& (d): The modernisation and capacity expansion programmes of steel plants in the country are taken up envisaging adoption of latest technology to make the units energy efficient and environment friendly. For any modernisation and capacity expansion project of steel plant, Environmental Clearance (EC) has to be obtained from the concerned Agencies/Departments of the Government. The energy-efficient and emission reduction provisions are in-built in the EC process.

At 34 model units, energy efficiency and emission technologies have been implemented through the Global Environment Facility of the United Nations Development Programme for energy efficient production in secondary steel sector.

(e) In order to meet the international standards and to implement the National Steel Policy, 2017, the public sector steel companies regularly undertake capital investments on projects from their own resources from time-to-time based on commercial considerations and market dynamics.